**Schedule IN-529R**
**Form IT-40/IT-40PNR**
**State Form 53386 (R7 / 9-13)**

# Schedule IN-529R: Recapture of Indiana's CollegeChoice 529 Education Savings Plan Credit

**2013**

Enclosure
Sequence No. **11**

Enter your first and last name and spouse's first and last name if filing a joint return.

Your Social Security Number

**Enter information about non-qualified withdrawal(s) made during 2013 from your Indiana CollegeChoice 529 Education Savings Plan(s).**

| | Column A | Column B | Column C | Column D | Column E |
|---|---|---|---|---|---|
| | **Account #** | **Amount of Non-qualified Withdrawal** | **Multiply Column B by .20** | **Enter total of credits previously allowed for the account.** | **Credit to be Recaptured: Enter smaller of Column C or Column D** |
| 1 | | .00 | .00 | .00 | .00 |
| 2 | | .00 | .00 | .00 | .00 |
| 3 | | .00 | .00 | .00 | .00 |
| 4 | | .00 | .00 | .00 | .00 |
| 5 | | .00 | .00 | .00 | .00 |
| 6 | | .00 | .00 | .00 | .00 |
| 7 | | .00 | .00 | .00 | .00 |
| 8 | | .00 | .00 | .00 | .00 |
| 9 | | | | | .00 |

Add amounts from Column E, lines 1 through 8 (add additional sheets if necessary).
Enter total here and on IT-40 Schedule 4, line 3, or IT-40PNR Schedule E, line 3.

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# Instructions for Schedule IN-529R

A 529 college savings plan is a reference to Section 529 of the Internal Revenue Code. Contributions to this type of plan are made on behalf of a beneficiary, and are to be used to pay qualified higher education expenses. While there are many 529 college savings plans available both in Indiana and nation-wide, only contributions made to the *CollegeChoice 529 education savings plan* are eligible for an Indiana tax credit.

## Who must file Schedule IN-529R?

An owner of a *CollegeChoice 529 education savings plan* account who makes a non-qualified withdrawal during the year must repay all or a part of any Indiana tax credit allowed. The account owner must complete and enclose Schedule IN-529R with his or her Indiana income tax return (Forms IT-40 or IT-40PNR).

## Definitions

*Account owner.* The account owner is the individual or entity (such as a trust, estate, partnership, etc.) who has the right to select or change a beneficiary, and to control the distribution of the funds.

*Contribution.* A cash deposit made for the benefit of the account beneficiary.

*Qualified withdrawal.* This is a withdrawal or distribution from a CollegeChoice 529 education savings plan account that is made:

- to pay for qualified higher education expenses;
- because of the death or disability of an account beneficiary;
- because an account beneficiary received a scholarship that paid all or part of their qualified higher education expenses;
- because of a transfer of funds by the plan from one third party custodian to another.

*Non-qualified withdrawal.* This is a withdrawal or distribution from a CollegeChoice 529 education savings plan that is:

- not a qualified withdrawal;
- a withdrawal or distribution from an account that is closed within 12 months after the account is opened;
- a rollover distribution or transfer from the CollegeChoice 529 education savings plan to any other Code Sec. 529 plan.

For more details, get Information Bulletin #98 at www.in.gov/dor/3650.htm

**Column A**
Enter the account number(s) from which you made a non-qualified withdrawal(s). Attach additional sheets if you made non-qualified withdrawals from more than eight accounts.

**Column B**
Enter the net amount of non-qualified withdrawal(s) made during the year for each account listed in Column A.

***Example.*** John opened an account for his son. He made two $300 non-qualified withdrawals from this account during the year. He will enter $600 in Column B.

**Column C**
Multiply the amount in Column B by .20 (20 percent) and enter the result here.

***Example.*** John multiplied the $600 from Column B by .20; he will enter the $120 result here.

**Column D**
Enter the total amount of credits previously allowed for each designated account.

***Example.*** John claimed a $1,000 credit for the account listed in Column A; he will enter $1,000 in Column D.

***Example.*** John's mother made a $400 contribution to the account listed in Column A, and claimed an $80 credit based on that contribution. John will enter $1,080 in Column D.

**Column E, Lines 1 - 8**
Enter the smaller of the amount(s) listed in Columns C or D for each line.